

JOHN F. KERRY, MASSACHUSETTS, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, RANKING MEMBER

CARL LEVIN, MICHIGAN
TOM HARKIN, IOWA
JOSEPH I. LIEBERMAN, CONNECTICUT
PAUL D. WELLSTONE, MINNESOTA
MAX CLELAND, GEORGIA
MARY LANDRIEU, LOUISIANA
JOHN EDWARDS, NORTH CAROLINA
MARIA CANTWELL, WASHINGTON
JEAN CARNAHAN, MISSOURI

CONRAD BURNS, MONTANA
ROBERT F. BENNETT, UTAH
OLYMPIA J. SNOWE, MAINE
MICHAEL ENZI, WYOMING
PETER G. FITZGERALD, ILLINOIS
MIKE CRAPO, IDAHO
GEORGE ALLEN, VIRGINIA
JOHN ENSIGN, NEVADA

PATRICIA R. FORBES, MAJORITY STAFF DIRECTOR AND CHIEF COUNSEL
EMILIA D'SANTO, REPUBLICAN STAFF DIRECTOR

United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510-6350

December 21, 2001

Vice Admiral Keith Lippert
Director, Defense Logistics Agency
8725 John J. Kingman Road
Suite 2533
Fort Belvoir, VA 22060-6221

Dear Vice Admiral Lippert:

The General Accounting Office (GAO) recently completed work on a study that I requested regarding Federal government electronic commerce (e-commerce/e-procurement) and efforts by the Federal government to provide e-commerce outreach to small businesses.

The GAO report (GAO 02-01) demonstrated that in two of the Federal government's three on-line procurement programs, e-commerce helped propel sales by small firms to more than half of the total contract dollars awarded during fiscal years 1999 and 2000. On the third system, sales by small firms totaled an impressive 39 percent during the period. These results are indeed impressive. However, these numbers represent a small portion of the overall procurement budget. Consequently, the challenge is to maintain these results as an increasing proportion of Federal procurement is conducted electronically.

The GAO also reported on efforts by the Federal government to provide e-commerce assistance to small business. The Defense Logistics Agency (DLA), at one time, maintained two programs that assist small business in selling their products to the Federal government. One program specifically targeted electronic procurement and was maintained by the Electronic Commerce Resources Centers (ECRCs). I understand that the ECRC program was discontinued on September 30, 2001, and its training course materials were provided to the Procurement Technical Assistance Centers (PTACs). Although the PTACs incorporated the ECRCs' responsibilities into theirs, the GAO reported that the PTACs have no plans to keep the ECRC materials current. Unfortunately, without the PTACs, no one is providing training in e-commerce and e-procurement to small businesses on an ongoing basis.

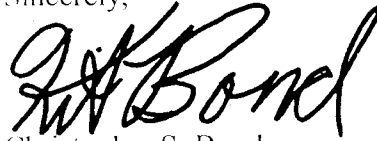
Consequently, I request that you consider that the PTACs develop a structured e-procurement training program, that builds upon the ECRC material developed earlier. Furthermore, given that the Office of Federal Procurement Policy is continuing to work towards a more seamless procurement process, the PTACs' experience and the e-procurement training materials are ideally suited towards helping the Federal government achieve that goal.

Vice Admiral Lippert

Page 2

I would appreciate receiving your response to this letter by January 14, 2002. Should you have any questions regarding this letter, please do not hesitate to contact Paul Conlon or Cordell Smith at (202) 224- . Thank you in advance for your continued assistance in helping America's small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Bond", written in a cursive style.

Christopher S. Bond
Ranking Member

cc: Angela Styles, Administrator for
Federal Procurement Policy
Office of Management and Budget